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Attorneys for Defendant
AMCO INSURANCE COMPANY

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

CHRISTINE DOUGHERTY,

Plaintiff,

v.

AMCO INSURANCE COMPANY, and DOES
ONE through TWENTY, Inclusive,

Defendant.

CASE NO. C 07-01140 MHP

**DECLARATION OF DARBIE HOFFMAN
IN SUPPORT OF MOTION OF
DEFENDANT AMCO INSURANCE
COMPANY FOR SUMMARY JUDGMENT,
OR IN THE ALTERNATIVE, PARTIAL
SUMMARY JUDGMENT**

Date: July 30, 2007

Time: 2:00 p.m.

Dept.: 15 — Hon. Marilyn Hall Patel

I, Darbie Hoffman, declare:

1. I am employed by Allied Insurance Company, a member of Nationwide, and in that capacity I am Custodian of Records for, among other things, insurance policies issued by AMCO Insurance Company ("AMCO"), Defendant in the above-referenced litigation. I make this declaration in support of AMCO's Motion for Summary Judgment, or in the alternative, Partial Summary Judgment. I have personal knowledge of the matters set forth herein, except as to those matters stated on information and belief and, as to those matters, I am informed and believe them to be true.

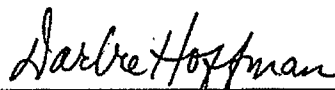
2. Attached hereto and marked **Exhibit T**, and Bates-stamped 020001 through 020063, is a true and correct copy of AMCO Personal Auto Policy No. PPA 0008899321-1,

///

1 including all attachments, endorsements thereto, effective from October 27, 2000 to October 27,
2 2001, which issued to Christine D. Rayburn and Malcolm W. Rayburn, Jr.

3 3. I am informed and believe and based thereon declare that Christine D. Rayburn, one
4 of the named insureds to the above-referenced AMCO insurance policy, is Christine Dougherty,
5 Plaintiff in the above-captioned lawsuit.

6
7 I declare under penalty of perjury that the foregoing is true and correct and that this
8 declaration was executed this 19th day of June, 2007, at Sacramento, California.

9
10 

Darbie Hoffman

LEWIS BRISBOIS BISGAARD & SMITH LLP

ONE SANSONE STREET, SUITE 1400
SAN FRANCISCO, CALIFORNIA 94104
TELEPHONE (415) 382-2580

EXHIBIT “T”-Part 1



**Allied
Insurance**

a Nationwide® company
On Your Side™

AGENCY - 84 - 35720
HRH OF NORTHERN CALIFORNIA
NOVATO CA 94945

AMCO INSURANCE COMPANY
701 5TH AVE
DES MOINES IA 50391-2000

²³
RAYBURN, CHRISTINE D.
RAYBURN JR, MALCOLM W.
2 SINALOA CT
NOVATO CA 94947-3837

PERSONAL AUTO POLICY NUMBER

PPA 0008899321-1

QUESTIONS, CHANGES OR TO REPORT A CLAIM Call us toll free at 1-800-282-1446

7:00 a.m. - 9:00 p.m. (CST) Monday through Friday

8:00 a.m. - 4:30 p.m. (CST) Saturday

You can use our toll free number to report a claim at any time -- day or night.

IMPORTANT INFORMATION ABOUT YOUR POLICY

- **ID Cards.** Attached at the end of this packet. Separate at perforations and place in each auto.
- **Special Notices.** These notices, when included, point out specific items concerning your policy.
- **Coverage and Endorsement Forms.** Provides policy and coverage information.
- **Billing.** Any premiums which are unpaid will be billed separately. Pay from that bill rather than this policy.

YOUR DISCOUNTS

Your premium shown on the declarations page reflects savings because you qualified for these discounts or special rating.

Persistency Discount - Length of time insured.
Air Bag Discount
Good Driver Discount

Multi-Car - More than one auto with us.
Anti-Theft Device

Get the Allied Extra ... four free coverages ... and big discounts!

When you purchase your auto and home insurance (Homeowners Insurance HO-2, 3, 5, or 6, or a Farm Property policy covering your "residence premises") with us, you automatically have Allied Extra Coverages without additional charge. And, you'll save with discounts on both home and auto. Allied Extra Coverages include:

Emergency Lockout Coverage - Up to \$50 when locked out of your auto or dwelling.

Special Deductible Provision - One deductible applies for auto and dwelling losses from the same event.

Air Bag Replacement - Replacement in the event of accidental deployment of an air bag.

Auto Death Indemnity - \$10,000 benefit for an accident when wearing a seat belt (named insured and spouse).

JL0003S (12-99)

DIRECT BILL 78NU 07044

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DRIVERS AND AUTOS CURRENTLY SHOWN FOR YOUR POLICY

Please advise immediately if this listing is incorrect.

	DOB	DL NUMBER	MARRIED?	SEX
RAYBURN, CHRIS	01/12/60	N7079548	M	F
RAYBURN JR, MALCOLM W.	05/24/71	A1716864	M	M

AUTO	ANNUAL MILEAGE	USAGE	DRIVER -- PRINCIPAL OR HIGHEST RATED
86 HONDA	20000	PLEASURE/DRIVEN TO WORK UNDER 3 MILES	RAYBURN, CHRIS
99 CHEVLT	12000	PLEASURE/DRIVEN TO WORK UNDER 3 MILES	RAYBURN JR, MALCOLM W.
67 VOLKS	1000	PLEASURE/DRIVEN TO WORK UNDER 3 MILES	

CUSTOMER SERVICE QUALITY CONTROL

Claim and policy service calls to Allied are randomly monitored in order to enhance the quality of service provided by Allied. If you do not wish to have your call monitored, please indicate this when placing your call.

DIRECT BILL 78NU 07044

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IMPORTANT INSURANCE INFORMATION

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**EVIDENCE OF INSURANCE IS REQUIRED WITH
REGISTRATION RENEWAL**

Effective January 1, 1997, you are required to have liability insurance to register your vehicle. When you renew your vehicle registration you will be required to submit evidence of insurance with your payment for the renewal transaction. Evidence can be in the form of your insurance ID card (a photocopy is acceptable). Evidence of insurance is not required with registration renewal of off-highway vehicles, trailers, vessels, or if you file a planned non-operation (PNO) on the vehicle. If you do not have evidence of insurance, contact your insurance company.

Motor Carriers of property as defined in CVC34601 may provide a statement that the carrier has evidence of insurance on file for this vehicle with PUC or DMV pursuant to CVC34630.

You may be requested by a peace officer to show evidence of insurance during a traffic stop or at an accident. Each owner is required to carry written evidence of liability insurance in each vehicle. Note: Comprehensive and Collision insurance covers your damages only, and does not meet the liability insurance requirement.

Vehicle Code Sections: 4000.37, 16020, and 16028.

DOCUMENTS SUBMITTED TO DMV WILL NOT BE RETURNED

REG 890 (NEW 12/95)

IN 0002 (03-97)

PPA 0008899321-1

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IMPORTANT INSURANCE INFORMATION

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**Motor Vehicle Accident and Violation Information and/or Consumer
Credit Information**

Information necessary to update your records relative to motor vehicle accident and violation information, and/or Consumer Credit information comes from these sources:

- Our own files relative to accidents while insured with us.
- Support organizations that provide information from other sources, such as State Motor Vehicle Records.

If we obtain information from support organizations, you have the right to review such information and to request that any incorrect information be corrected, amended or deleted. You may contact this firm directly or submit a request in writing within 60 days for a copy of the report.

For Motor Vehicle Violation information contact:

Choice Point Insurance Consumer Center
P.O. Box 105108
Atlanta, GA 30348-5108
1-800-456-6004

For Motor Vehicle Accident Information contact:

C.L.U.E. National Consumer Service Center
Choice Point Services Inc.
P.O. Box 105108
Atlanta, GA 30348-5108
1-800-456-6004

For Consumer Credit Information contact:

Trans Union Consumer Relations
2 Baldwin Place
P.O. Box 1000
Chester, PA 19022
1-800-888-4213

IN 0263 (11-99)

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IMPORTANT INSURANCE INFORMATION

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NOTICE OF INSURANCE INFORMATION PRACTICES

AND

SPECIAL GOOD DRIVER NOTICE

When you apply for insurance, you entrust us with some personal information about yourself. Like you, we are concerned with your privacy and its protection. Therefore, we want you to know about our procedures for protecting your privacy, and your rights and responsibilities regarding recorded information about you. As our customer, we want you to understand how we gather information, how we protect it, and how you can help insure its accuracy.

WHAT KIND OF INFORMATION IS COLLECTED ABOUT YOU

Most of our information comes directly from you. In most cases, your application provides all of the information we need to evaluate you or your property for insurance. Should we need additional information or want to verify information you have given us, we will contact you.

Sometimes, we may not be able to obtain all the information we need directly from you. In that case, we may obtain information from outside sources at our own expense. For example, with auto insurance, we routinely obtain a record of accidents and violations from your State Motor Vehicle Department.

In some instances, we will have your insurance agent or our service representatives obtain the additional information we need. However, it is common for an insurance company to ask an independent source, such as "consumer reporting agencies" to help verify information and add to information given on an application. Such reports are used to help us decide if you qualify for the insurance you have applied for.

The information we receive about you from an independent reporting agency will be treated in the same confidential way in which we treat the information you gave us on your application. However, the information collected by the agency may be retained by them and later shared with others who use these reports. It will be given to others only to the extent permitted by law.

WHAT WE DO WITH INFORMATION ABOUT YOU

Information we collect about you will not generally be given to anyone without your consent, except when the disclosure is necessary for us to conduct our business. In that case we will share information about you without your prior consent to the extent permitted by law. Generally, information will be disclosed without your prior consent only to persons or organizations having a business interest in an insurance transaction involving you, have a contract with us to perform part of our insurance function, or have some other business relationship with us.

We must, for example, exchange some information about you with our agents, investigators, appraisers, attorneys and other persons who are or will become involved in processing your application and servicing your policy or any claims you may make. We may also share information with persons or organizations who need the information to perform a business, professional or insurance function for us. Information about you may also be given to other insurance companies, agents or consumer reporting agencies in connection with not only this application or policy but in connection with any application or policy. For example, we would share information about you with another company that may reinsure your policy or with other companies with whom you have had other insurance policies.

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FOR YOUR INFORMATION RETAIN FOR YOUR RECORDS

We also routinely give out information about you to insurance-support organizations that are established to collect such information for the purpose of detecting and preventing insurance crimes or fraudulent claims.

We may also give our affiliated companies some information about you for their use in marketing insurance products or services.

There will be other occasions, even though they are infrequent, in which information about you may be disclosed without your prior authorization. We may give information to the State Insurance Department in connection with their regulation of our business, and to other governmental or law enforcement authorities to protect our legal interest or in cases of suspected fraud or illegal activities. We would also disclose information if ordered by a subpoena, search warrant or other court order, and if otherwise required by any federal, state or local law.

HOW YOU CAN REVIEW RECORDED INFORMATION ABOUT YOU

You have the right to review recorded information about you contained in our files. If you have any questions about what information we may have on file, please write us. We will need your complete name, address, date of birth, and all policy numbers under which you are insured. Tell us what information you would like to receive. Within 30 business days of receipt of your request, we will inform you of the nature of recorded information requested. At that time, we will also tell you the identity of the persons or organizations to whom we have disclosed this information in the preceding two years. We will also give you the name and address of any consumer reporting agency who prepared a report about you so that you can contact them to get a copy of that report.

There are some kinds of information, however, that we are not required to give you access to. This type of information is generally collected when we evaluate a claim under an insurance policy or when the possibility of a lawsuit exists.

IF YOU DISAGREE WITH OUR RECORDS

If, after reviewing the information provided, you believe it is incorrect, please notify us. Tell us what is inaccurate and why. You have the right to request that we correct, amend or delete information that you feel is incorrect.

Upon receiving your request, we will investigate the information you think is incorrect. We will take action within 30 business days whereby, if we agree with you, we will make the necessary corrections, amendments or deletions. We will also notify persons or organizations to whom we have previously disclosed the inaccurate information of the change. Insurance-support organizations to whom we systematically reveal information will also be informed of the change.

If we disagree with you, we will notify you and give you our reasons for refusing to correct, amend or delete the information you feel is incorrect. If you are not satisfied by our refusal and the reasons, we will ask you to send us a concise statement of what you believe is the correct information and why you disagree with our refusal to correct it. When we receive your statement, we will place it in our file and send a copy of it to persons and organizations to whom we have previously disclosed or systematically disclose information. If we make any subsequent disclosure of information in your file, we will also disclose your statement.

YOUR PRIVACY IS OUR CONCERN

We gather information about our customers only in the interest of providing them with quality services at fair prices. We're committed to the careful handling of personal information. If, after reading this notice, you have any questions about what's in your files, contact your Agent or service representative for the address of the office servicing your area.

SPECIAL GOOD DRIVER NOTICE

An insurer which refuses to provide coverage to an applicant who is a "Good Driver" must provide the applicant with a written statement of the reasons it denied coverage. In general, under California Law a Good Driver is a person who has not had more than one violation point or more than one at-fault accident resulting in only property damage in the last three years.

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IMPORTANT INSURANCE INFORMATION

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**EXPLANATION OF THE EFFECT OF ACCIDENTS AND CONVICTIONS ON THE COST OF INSURANCE
DRIVING SAFETY RECORD PLAN
(Section 489, California Insurance Code)**

The Plan under which your policy is rated uses past experience (accidents and convictions) as part of the determination of your premium cost. The point system described below has been established under which those drivers that have no accidents or convictions receive the lowest premiums. Higher premiums are charged for other drivers based upon the number of points they have accumulated during the experience period of three years immediately preceding the effective date of the policy.

The Driving Record Sub-Classification assigned to the automobile appears in the Declarations as the 6th digit under "Class" and reflects the number of points accumulated during the experience period and assigned under the Plan. (Sub-Classification 0 means no points have been assigned; Sub Classification 1 means one point has been assigned for an accident or V for a conviction, etc.)

Driving Record Points**1. Convictions**

Points shall be assigned for convictions during the experience period for motor vehicle violations of the applicant or any other current resident operator as follows:

a. Five points shall be assigned for conviction of:

- 1) Driving while intoxicated, "open bottle", or any other violation involving the use of intoxicating liquor or narcotic drugs (includes "deferred sentence" involving license suspension or revocation for a drug or alcohol related occurrence); or
- 2) failure to stop and report when involved in an accident; or
- 3) homicide or assault arising out of the operation of a motor vehicle; or
- 4) driving during a period while license is suspended or revoked; or
- 5) permitting an unlicensed operator to drive; or
- 6) loaning an operator's license to an unlicensed operator, or making a false statement in an application for license or registration, or procuring a license or registration through impersonation whether for himself/herself or another;
- 7) engaging in, aiding or abetting in, a spontaneous or prearranged speed contest; or
- 8) reckless driving.

b. Two points shall be assigned for a conviction for any passing violation, including passing on the wrong side, on a hill or curve, or in a no passing zone.**c. With respect to any other conviction for a moving traffic violation one point shall be assigned.****EXCEPTION:**

Convictions for the following shall not be regarded as moving traffic violations:

- 1) any motor vehicle "equipment" requirement of the motor vehicle and traffic laws, except brakes, nor
- 2) failure to display proper number plates provided such plates are in existence; nor
- 3) failure to have in possession operator's or chauffeur's license provided there is one in existence; nor
- 4) failure to sign or display registration card.

2. Accidents

Points shall be assigned for each accident that occurred involving Bodily Injury, Property Damage or Collision during the experience period, involving the applicant or any other driver listed on the policy.

- a. Two points are assigned for each auto accident that results in bodily injury or death.

NOTE: Bodily injury in this case excludes medical payments claims that do not result from the actual operation of an auto.

- b. One point is assigned for each accident that results in total property damage to all property including his/her own, regardless of whether or not an insurance claim was filed, resulting in damages:

- 1) In excess of \$500 if such accident occurred prior to October 1, 1994.
- 2) In excess of \$750 if such accident occurred on or after October 1, 1994.

EXCEPTIONS: No points are assigned for accidents:

- a. Involving unlisted operators who are named insureds or drivers under a separate policy with our Company. The point will follow the driver over to the other policy.
- b. Involving unlisted operators who are neither residents of the insureds household nor regular operators of his or her auto.
- c. Occurring under the following circumstances:
 - 1) The auto is lawfully parked. However, if the parked auto rolls from the parked position, the accident is charged to the person who parked the auto.
 - 2) For involvement in an accident as a result of which (a) a court judgement declared the operator of another vehicle involved in the accident to have been 51% or more negligent; or (b) a reimbursement of at least 51% in settlement of the insured's damage was obtained from, or on behalf of, the owner or operator of another vehicle involved in the accident, or
 - 3) The auto is struck in the rear by another vehicle and the insured has not been convicted of a moving traffic violation in connection with the accident.
 - 4) The operator of the other auto involved in the accident was convicted of a moving traffic violation and the insured was not convicted of any such violation.
 - 5) The auto operated by the insured is struck by a "hit-and-run" vehicle, providing the accident is reported to the proper authorities within 24 hours by the applicant or resident operator.
 - 6) The accident was caused by direct contact with animals or fowl.
 - 7) The accident was caused by direct contact with flying gravel, missiles, or falling objects.
 - 8) The accident occurred while using the auto in response to an emergency if the operator of the auto at the time of accident was a paid or volunteer member of any Police or Fire Department, First Aid Squad, or any law enforcement agency. This exception does not include an accident occurring after the auto ceases to be used in response to such emergency.

3. Points shall not be assigned for both accidents and convictions which are incurred through the same incident. The points assigned shall be for either the accident or conviction; whichever is subject to the greater number of assignable points.

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4. Refund of Surcharged Premium

If a point has been assigned as a result of an accident and it is subsequently learned that the accident falls under one of the exceptions enumerated in the rule, the Company shall refund to the insured the increased portion of the premium generated by the accident surcharge.

5. Driving Safety Record

The Driving Safety Record shall be determined from the number of Driving Record Points accumulated during the experience period by the driver who has the highest rating factor. The total points for an operator are applied only to the auto to which he or she is associated.

**YOUR RIGHT TO BE INFORMED OF ANY INCREASE
IN PREMIUM DUE TO ACCIDENTS OR CONVICTIONS**

In accordance with Section 489 of the California Insurance Code, you have the right to be informed, upon request, of any increase in the premium in whole or in part, charged by virtue of involvement in any accident or conviction by you or any operator of the motor vehicle. YOUR AGENT OR COMPANY REPRESENTATIVE WILL BE HAPPY TO ANSWER QUESTIONS ABOUT YOUR AUTO INSURANCE POLICY.

GOOD DRIVER DISCOUNT POLICY

In addition to the rating required under the Driving Safety Record Plan, Sections 1861.02 and 1861.025 of the California Insurance Code provide for a special 20% Good Driver Discount. In order to qualify for a Good Driver Discount Policy, the following criteria must be met.

1. To be eligible for the Good Driver Discount, all drivers must meet the following requirements:
 - a. No drivers licensed less than 3 years. (Note: If a motorcycle is involved, each named insured must have had a motorcycle license for the last 3 years).
EXCEPTION: Drivers who obtained their experience other than in the United States or Canada but with at least the previous 18 months in the United States or Canada.
 - b. No drivers convicted of any of the following violations during the last 3 years.
 - 1) Failure to stop in the event of an accident. (12810 (a), 20001, 20002)
 - 2) Driving under influence of intoxicating liquors or drugs. (12810 (b), 23152, 23153)
 - 3) Reckless driving. (12810 (c), 23103, 23104)
 - 4) Manslaughter in the driving of a vehicle. (12810 (d), 192 (c) Penal Code)
 - 5) ~~Evading a Peace Officer: Reckless Driving.~~ (12810 (d), 2800.2, 2800.3)
 - 6) Driving the wrong way or in an incorrect lane on a divided highway. (12810 (d), 21651 (b))
 - 7) Driving in excess of 100 mph. (12810 (d), 22348 (b))
 - 8) Speed contests. (12810 (d), 23109 (a), 23109 (c))
 - 9) License/routes involving transportation of explosives. (12810 (d), 31602)
 - c. No drivers convicted of two or more of these violations (or accidents) during the last 3 years:
 - 1) Any traffic conviction other than under B. above: (1861.025 (b), 12810 (e))
 - 2) Any PD (PD and/or Collision) accident. (1861.025 (b) (1))
 - d. No driver with more than one dismissal of a conviction relating to controlled substances during the last 3 years. (1861.025 (b) (2), 1803.5, 1808.7)
 - e. No driver under the age of 21 convicted of driving with BAC of .05 or more during the last 7 years and on or after 01-01-96. (1861.025 (b) (3), 23140 (a), 23140 (b))
 - f. No drivers principally at fault in an accident involving BI during the last 3 years. (1861.025 (b) (3))
 - g. No driver convicted of driving with a BAC of .08 or using a drug, if addicted, during the last 7 years and on or after 01-01-96. (1861.025 (b) (3), 23152)
 - h. No driver convicted of driving under the influence of any alcoholic beverage and/or drug causing bodily injury to any person other than the driver. (1861.025 (b) (3), 23153)
 - i. No driver convicted of violation of Section 192(c) (3) of the Penal Code, driving under the influence but without gross negligence. (192 (c) (3) Penal Code, 23140, 23152, 23153)
 - j. No driver convicted of gross vehicle manslaughter while intoxicated. (191.5 Penal Code)
2. This discount applies on a per vehicle basis to all coverages.
3. Accidents and/or violations occurring after the policy is written will not affect the rating until renewal (much the same as the Driving Safety Record Plan.)
4. Drivers with accidents and/or violations added to the vehicle will cause the vehicle to lose the Good Driver Discount.

Note: The first digit of the Classification Code appearing on the Declarations Page identifies the following:

G = Means eligible for Good Driver Discount.

N = Means not eligible for Good Driver Discount.

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IMPORTANT INSURANCE INFORMATION

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NOTICE OF LIMITS OF FUTURE COVERAGE

Section 11580.09 of the California Insurance Code requires a notice stating "limits of future coverage". "Limits of future coverage" means specified reasons for which an insurance company may cancel or refuse to renew the policy or increase the premium for the same coverage. This notice is to provide this information.

CANCELLATION OR NONRENEWAL

Cancellation or nonrenewal of this policy shall be effective only if based on one or more of the following reasons:

1. Non-payment of premium.
2. Fraud or material misrepresentation affecting the policy or insured.
3. A substantial increase in the hazard insured against.

PREMIUM INCREASES

The premium for coverage(s) under this policy may be increased due to the following reasons, as applicable:

1. Accident involvement (at-fault) by drivers in the household.
2. Conviction of motor vehicle violations of drivers in the household.
3. A change in, an addition of, or deletion of, a covered auto.
4. A change in, an addition of, or deletion of, a covered person or driver under the policy.
5. A change in the location where a covered auto is garaged.
6. A change in how the covered auto is used.
7. A change in the type or value of a covered auto.
8. A change in these characteristics:
 - a. Age, sex, marital status of drivers in the household.
 - b. Length of driving experience.
9. Claims paid to you or to others on your behalf, or claims paid because of damage to your covered auto.
10. A change in the policy coverages.
11. An overall increase in premiums applicable to California policyholders.

Some premium increases may result from reasons that are not specified in Items 1. through 11. above that are both lawful and not unfairly discriminatory.

THIS NOTICE DOES NOT PROVIDE COVERAGE (ONLY YOUR POLICY PROVIDES COVERAGE) NOR SHOULD IT BE CONSTRUED TO REPLACE ANY PROVISION OF THE POLICY. YOU SHOULD READ YOUR POLICY FOR COMPLETE DETAILS ON THE COVERAGES PROVIDED. IN THE EVENT OF ANY CONFLICT BETWEEN THE POLICY AND THIS NOTICE, THE PROVISIONS OF THE POLICY SHALL PREVAIL.

IN 0532 (01-91)

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IMPORTANT INSURANCE INFORMATION

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CONSUMER COMPLAINTS AND INFORMATION

IF YOU SHOULD HAVE ANY QUESTIONS OR PROBLEMS WITH THIS POLICY PLEASE FIRST CONTACT YOUR AGENT OR A COMPANY REPRESENTATIVE. IF AFTER DOING SO WE HAVE FAILED TO PRODUCE A SATISFACTORY SOLUTION TO YOUR PROBLEM YOU MAY CONTACT THE CALIFORNIA DEPARTMENT OF INSURANCE AT 1-800-927-4357 OR WRITE THEM AT:

**STATE OF CALIFORNIA
DEPT. OF INSURANCE
CONSUMER ASSISTANCE
300 SOUTH SPRING STREET
LOS ANGELES, CA 90013**

**AVAILABILITY OF SPECIAL DISCOUNTS OR RATING
IMPORTANT INSURANCE INFORMATION**

(Section 11580.15, California Insurance Code)

Pursuant to special California Insurance Code requirements, you are notified of the following discounts or special rating that are available for eligible policyholders:

Good Student Classification – Reduced premiums for private passenger autos with youthful operators maintaining special scholastic standards.

Mature Driver Improvement Course Credit – A 5% credit applies to Liability premiums for eligible drivers completing an approved motor vehicle accident prevention course.

Multi-Car Classification – 20% discount applies when we insure two or more private passenger autos.

Anti-Theft Device Credit – Reduced premiums for private passenger autos equipped with an ACTIVE or PASSIVE DISABLING Anti-Theft Device.

Air Bag Discount – A 30% discount will be applied to Medical Payment premiums for all autos equipped with air bag(s) conforming to the federal crash protection requirements.

Anniversary Discount – Reduced premiums for continuous years of coverage with ALLIED Group.

Multi-Policy Discount – A 15% discount for eligible policyholders when we also provide a Homeowners Policy.

Driving Safety Record Plan – This plan rewards drivers with good driving records on private passenger autos.

Good Driver Discount – A 20% discount for eligible policyholders meeting the Good Driver criteria as outlined in Section 1861 of the California Insurance Code.

You may already receive one or more of these discounts or special rating. If you desire information relative to any item, please contact your ALLIED Group Agent or a Company Representative.

IN 0542 (10-97)

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IMPORTANT INSURANCE INFORMATION

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CALIFORNIA AUTOMOBILE PREINSURANCE INSPECTION REQUIREMENT

The California Automobile Preinsurance Inspection Law became effective May 1, 1992. This mandatory inspection law was enacted to help reduce the high cost of auto insurance by preventing payment for inflated or fraudulent claims. Basically, the law requires the inspection of autos before new policies can be issued or before additional or replacement autos can be added to existing policies. The law further provides exceptions whereby inspections can be waived.

PLEASE NOTE THAT INSPECTIONS ARE NOT REQUIRED FOR AUTOS CURRENTLY ON YOUR POLICY AND THAT WE INSURED PRIOR TO MAY 1, 1992.

In order to assure compliance with the law, we recommend the following:

- Please contact us as soon as possible after you purchase or acquire any new or used vehicle.
- We will advise you if an inspection is necessary (there are exceptions).
- You will have seven days from the date you wish coverage to begin to obtain the inspection.
- Information as to how to obtain the inspection will be provided.
- Inspections will be completed at no charge to you.
- If you purchase a new auto (not a used auto) from a licensed dealer, the bill of sale or "window sticker" showing all equipment and costs, may substitute for the inspection.

Please contact us you have questions.

IN 0542 (10-97)

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IMPORTANT NOTICE INFORMATION

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This is a notice of clarification of coverage in your Personal Auto Policy. The area within the policy that has been clarified is highlighted below.

PART D - COVERAGE FOR DAMAGE TO YOUR AUTO

Clarification of Coverage

The Collision and Other Than Collision section of your policy has been revised to clarify that coverage is not provided for any loss in market or resale value (sometimes referred to as "diminution in value") which may result from a direct and accidental loss to your auto.

This change does not affect the way premium is determined for either private passenger type auto or recreational vehicles.

THIS NOTICE DOES NOT PROVIDE COVERAGE (ONLY YOUR POLICY PROVIDES COVERAGE) NOR SHOULD IT BE CONSTRUED TO REPLACE ANY PROVISION OF THE POLICY. YOU SHOULD READ YOUR POLICY FOR COMPLETE DETAILS ON THE COVERAGES PROVIDED. IN THE EVENT OF ANY CONFLICT BETWEEN THE POLICY AND THIS NOTICE, THE PROVISIONS OF THE POLICY SHALL PREVAIL.

IN 0590 (02-00)

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IMPORTANT INSURANCE INFORMATION

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HOW YOUR INSURANCE PREMIUM IS DEVELOPED

Many factors are taken into consideration in the development of auto insurance premiums. These include:

- Autos — The original cost, repairability, age, annual mileage, body type, performance and how they are used.
- Drivers — Driving experience, sex, marital status, good student, accident prevention courses and driving records.
- Miscellaneous — Multiple autos and multiple policies, length of time and Farm Bureau membership.

The application of these factors will result in driver classification factors and the placement of autos into Rating Plans.

EXPLAINING CHANGES IN YOUR RENEWAL PREMIUM

Premiums for renewal policies on occasion will reflect adjustments based upon one or more of the following:

- Changes of coverages, limits, autos, drivers, driver ages and marital status, age of the autos, etc.
- Changes in the statewide rates as authorized for your state.
- Changes in the driving records, ie. accidents and violations, of the drivers of your autos.

The overall premium change from your last policy or renewal is: **\$.00**

THE EFFECT OF DRIVING RECORDS ON YOUR PREMIUM

The driving record of all drivers in your household are used in determining your auto insurance premium. The existence of accidents and violations will increase your premium.

01/01/99	PROP DAMAGE ACCID. IN EXCESS OF	RAYBURN, CHRIS	1 POINTS
01/12/00	STOP SIGN/SIGNAL VIOLATION	RAYBURN JR, MALCOLM W.	1 POINTS

Points are combined for all drivers associated with each auto. These points determine the appropriate surcharge, based upon the accumulated points, as applied to the premiums.

For your policy:

Surcharge Factor

86 HONDA	1 POINTS
99 CHEVLT	1 POINTS

1.15
1.15

These factors will apply for a period of three years beginning with the first renewal following the accident or violation.

SN 0559C (12-99)

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**YOUR RIGHT TO BE INFORMED OF ANY INCREASE
IN PREMIUM DUE TO ACCIDENTS OR CONVICTIONS**

In accordance with Section 489 of the California Insurance Code, you have the right to be informed, upon request, of any increase in the premium in whole or in part, charged by virtue of involvement in any accident or conviction by you or any operator of the motor vehicle. YOUR AGENT OR COMPANY REPRESENTATIVE WILL BE HAPPY TO ANSWER QUESTIONS ABOUT YOUR AUTO INSURANCE POLICY.

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AMCO INSURANCE COMPANY
701 5TH AVE
DES MOINES IA 50391-2000
1-515-280-4211

PERSONAL AUTO POLICY

AGENCY **HRH OF NORTHERN CALIFORNIA**
001 **NOVATO CA 94945-5057**

DECLARATIONS **AMENDED**

POLICY NUMBER
PPA 0008899321-1
ACCOUNT NUMBER
618521618

Policy Period
From: **10/27/00** To: **10/27/01**
12:01 A.M. Standard Time

Effective Date of Change

NAMED INSURED AND ADDRESS

RAYBURN, CHRISTINE D.
RAYBURN JR, MALCOLM W.
2 SINALOA CT
NOVATO CA 94947-3837

COVERAGE AND LIMITS OF LIABILITY (In Dollars)

Coverage is provided where a premium or limit of liability is shown for coverage.

Coverage is provided where a premium or limit of liability is shown for coverage.										
VEHICLE	BODILY INJURY		PROPERTY DAMAGE	MEDICAL PAYMENTS	PERSONAL INJURY PROTECTION		UNINSURED MOTORISTS			
	EACH PERSON	EACH ACCIDENT	EACH ACCIDENT	EACH PERSON	OPTION		EACH PERSON	EACH ACCIDENT		
1	100,000	300,000	50,000	5,000			100,000	300,000		
4	100,000	300,000	50,000	5,000			100,000	300,000		
5	100,000	300,000	50,000	5,000			100,000	300,000		
VEHICLE	DAMAGE TO YOUR VEHICLE			TOWING	RENT RE					
	Other Than Collision Loss	Collision Loss		TRN EXP						
	Actual Cash Value Minus Deductible			PER DISABLEMENT	PER DAY/MAXIMUM					
1	500	500		50	30/ 900					
4	500	500		50	30/ 900					
5										

PREMIUMS (In Dollars)

VEH	BODILY INJURY	PROPERTY DAMAGE	MEDICAL PAYMENTS	PERSONAL INJURY PROTECTION	UNINSURED MOTORISTS	DAMAGE TO YOUR VEHICLE		TOWING	RENT RE TRN EXP
						Other Than Collision Loss	Collision Loss		
1	305.52	195.12	31.54		77.50	41.18	163.56	3.20	19.20
4	261.32	166.98	19.32		66.42	69.60	325.72	3.20	19.20
5	155.18	99.34	16.12		39.82				
VEH					COLLISION DEDUCTIBLE BUY BACK				
1					7.88				
4					7.88				
5									
VEH	Total Premium Each Vehicle	Other Miscellaneous Endorsements Requiring Premium:			Sub-Total				
					Other Endorsements/Fees				
1	844.70	No.				\$ 2,094.80			
4	939.64					\$			
5	310.46					\$			
					Full Term Premium	\$ 2,094.80			
					Add'l Premium	\$			
					Return Premium	\$			

THIS IS NOT A BILL - SEE YOUR BILLING STATEMENT

Page 1 of 2

AMCO INSURANCE COMPANY

Countersigned by - Authorized Representative

DIRECT BILL 78NU 07044

R 618521618 78 950

020017

DESCRIPTION OF VEHICLE

VEH	Year	Trade Name	Body Type and Model	Identification Number	Cost/New	Max Value	HP	CC's	Class
1	1986	HONDA	4 DOOR	JHMB5430GC088837					G11121
4	1999	CHEVLT	4 DOOR	1GNEK13R9XR150279					G1112V
5	1967	VOLKS	2 DOOR	367178038					G11420

ALTERNATE GARAGING LOCATIONS

VEH	Year	Make	Body Type and Model	Address
1	1986	HONDA	ACCORD LX	
4	1999	CHEVLT	TAHOE BASE	
5	1967	VOLKS	SQUARE BAC	

ENDORSEMENTS

Endorsements forming a part of this policy: IN0002 (0397) IN0263 (1199) IN0521 (0794) IN0531 (1299) IN0532 (0191)
 IN0542 (1097) IN0590 (0200) AA0001 (0986) AA0001A (1098) AA0007 (1192) AA0008A (1199) AA0073 (0697) AA0078 (0995)
 AA0169 (1299) AA0170 (0398) AA0303 (0699) AA0488 (0398) PP0305 (0886) SN0559C (1299)

Loss Payee: 4 US FIRST FEDERAL CREDIT UNION BLOOMINGTON MN 55425-1642

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PERSONAL AUTO POLICY - QUICK REFERENCE

		Beginning On Page
DECLARATIONS PAGES		
Your Name and Address	Your Auto or Trailer	
Policy Period	Coverages and Amounts of Insurance	
QUICK REFERENCE		1
AGREEMENT		2
DEFINITIONS		2
PART A - LIABILITY COVERAGE		3
Insuring Agreement	Out of State Coverage	
Supplementary Payments	Financial Responsibility	
Exclusions	Required	
Limit of Liability	Other Insurance	
PART B - MEDICAL PAYMENTS COVERAGE		5
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Insuring Agreement	Other Insurance	
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PART D - COVERAGE FOR DAMAGE TO YOUR AUTO		9
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Bankruptcy	Policy Period and Territory	
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Fraud	Transfer of Your Interest	
Legal Action Against Us	in This Policy	
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MEXICAN INSURANCE LIMITED		14

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READ YOUR POLICY CAREFULLY

This policy is a legal contract between you (the insured) and us (the company). The policy has been:

- designed for your easy reference.
- simplified, to make it more understandable and easier to read.
- arranged, to better display the available coverages.

This policy itself sets forth, in detail, the rights and obligations of both you and us. IT IS THEREFORE IMPORTANT THAT YOU READ YOUR POLICY CAREFULLY.

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PERSONAL AUTO POLICY

AGREEMENT

In return for payment of the premium and subject to all the terms of this policy, we agree with you as follows:

DEFINITIONS

- A. Throughout this policy, "you" and "your" refer to:
1. The "named insured" shown in the Declarations; and
 2. The spouse if a resident of the same household.
- B. "We", "us" and "our" refer to the Company providing this insurance.
- C. For purposes of this policy, a private passenger type auto or pickup or van shall be deemed to be owned by a person if leased:
1. Under a written agreement to that person; and
 2. For a continuous period of at least 6 months.

Other words and phrases are defined. They are in quotation marks when used.

- D. "Bodily injury" means bodily harm, sickness or disease, including death that results.
- E. "Business" includes trade, profession or occupation.
- F. "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household. This includes a ward or foster child.
- G. "Occupying" means in, upon, getting in, on, out or off.
- H. "Property damage" means physical injury to, destruction of or loss of use of tangible property.
- I. "Trailer" means a vehicle designed to be pulled by a:
1. Private passenger auto; or
 2. Pickup or van.
- It also means a farm wagon or farm implement while towed by a vehicle listed in 1. or 2. above.
- J. "Your covered auto" means:
1. Any vehicle shown in the Declarations.
 2. Any of the following types of vehicles on the date you, or a corporation of which you are the sole owner, become the owner:
 - a. a private passenger auto; or
 - b. a pickup or van.
 This provision (J.2.) applies only if:
 - a. you, or a corporation of which you are the sole owner, acquire the vehicle during the policy period;
 - b. you ask us to insure it within 30 days after you, or a corporation of which you are the sole owner, become the owner; and
 - c. with respect to a pickup or van, no other insurance policy provides coverage for that vehicle.
 If the vehicle you, or a corporation of which you are the sole owner, acquire replaces one shown in the Declarations, it will have the same coverage as the vehicle it replaced. You must ask us to insure a replacement vehicle within 30 days only if:
 - a. you wish to add or continue Coverage for Damage to Your Auto; or
 - b. it is a pickup or van used in any "business" other than farming or ranching.
 If the vehicle you, or a corporation of which you are the sole owner, acquire is in addition to any shown in the Declarations, it will have the broadest coverage we now provide for any vehicle shown in the Declarations.
 3. Any "trailer" you, or a corporation of which you are the sole owner, own.
 4. Any auto or "trailer" you, or a corporation of which you are the sole owner, do not own while used as a temporary substitute for any other vehicle described in this definition which is out of normal use because of its:

a. breakdown;	d. loss; or
b. repair;	e. destruction.
c. servicing;	

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PART A - LIABILITY COVERAGE**INSURING AGREEMENT**

- A. We will pay damages for "bodily injury" or "property damage" for which any "insured" becomes legally responsible because of an auto accident. Damages include pre-judgment interest awarded against the "insured". We will settle or defend, as we consider appropriate, any claim or suit asking for these damages. In addition to our limit of liability, we will pay all defense costs we incur. Our duty to settle or defend ends when our limit of liability for this coverage has been exhausted. We have no duty to defend any suit or settle any claim for "bodily injury" or "property damage" not covered under this policy.
- B. "Insured" as used in this Part means:
1. You and any "family member" for the ownership, maintenance or use, including loading or unloading, of any auto or "trailer".
 2. Any person using, including loading and unloading, "your covered auto". This provision (B.2.) does not apply to any person other than:
 - a. you or any "family member;"
 - b. your employees; or
 - c. a lessee or borrower or any of their employees, while moving property to or from a "covered auto".
 3. For "your covered auto," any person or organization but only with respect to legal responsibility for acts or omissions of a person for whom coverage is afforded under this Part.
 4. For any auto or "trailer," other than "your covered auto," any other person or organization but only with respect to legal responsibility for acts or omissions of you or any "family member" for whom coverage is afforded under this Part. This provision (B.4.) applies only if the person or organization does not own or hire the auto or "trailer."
- C. The following are not "insureds" under Part A of the policy:
1. The United States of America or any of its agencies.
 2. Any person with respect to bodily injury or property damage resulting from the operation of an auto by the person as an employee of the United States Government if the provisions of Section 2679 of Title 28, United States Code (Federal Tort Claims Act), as amended, require the Attorney General of the United States to defend that person in any civil action or proceeding which may be brought for the bodily injury or property damage.

SUPPLEMENTARY PAYMENTS

In addition to our limit of liability, we will pay on behalf of an "insured:"

1. Up to \$250 for the cost of bail bonds required because of an accident, including related traffic law violations. The accident must result in "bodily injury" or "property damage" covered under this policy.
2. Premiums on appeal bonds and bonds to release attachments in any suit we defend.
3. Interest accruing after a judgment is entered in any suit we defend. Our duty to pay interest ends when we offer to pay that part of the judgment which does not exceed our limit of liability for this coverage.
4. Up to \$50 a day for loss of earnings, but not other income, because of attendance at hearings or trials at our request.
5. Other reasonable expenses incurred at our request.

EXCLUSIONS

- A. We do not provide Liability Coverage for any person:
1. Who intentionally causes "bodily injury" or "property damage."
 2. For damage to property owned or being transported by that person.
 3. For damage to property:
 - a. rented to;
 - b. used by; or

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- c. in the care of;
that person.
- This exclusion (A.3.) does not apply to damage to a residence or private garage.
4. For "bodily injury" to an employee of that person during the course of employment. This exclusion (A.4.) does not apply to "bodily injury" to a domestic employee unless workers' compensation benefits are required or available for that domestic employee.
5. For that person's liability arising out of the ownership or operation of a vehicle while it is being used to carry persons or property for a fee. This exclusion (A.5.) does not apply to a share-the-expense car pool.
6. While employed or otherwise engaged in the "business" of:
- selling;
 - repairing;
 - servicing;
 - storing; or
 - parking;
- vehicles designed for use mainly on public highways. This includes road testing and delivery. This exclusion (A.6.) does not apply to the ownership, maintenance or use of "your covered auto" by:
- you;
 - any "family member;" or
 - any partner, agent or employee of you or any "family member."
7. Maintaining or using any vehicle while that person is employed or otherwise engaged in any "business" (other than farming or ranching) not described in Exclusion A.6. This exclusion (A.7.) does not apply to the maintenance or use of a:
- private passenger auto;
 - pickup or van that you own; or
 - "trailer" used with a vehicle described in a. or b. above.
8. Using a vehicle without a reasonable belief that that person is entitled to do so.
9. For "bodily injury" or "property damage" for which that person:
- is an insured under a nuclear energy liability policy; or
 - would be an insured under a nuclear energy liability policy but for its termination upon exhaustion of its limit of liability.
- A nuclear energy liability policy is a policy issued by any of the following or their successors:
- American Nuclear Insurers;
 - Mutual Atomic Energy Liability Underwriters; or
 - Nuclear Insurance Association of Canada.
- B. We do not provide Liability Coverage for the ownership, maintenance or use of:
- Any motorized vehicle having fewer than four wheels.
 - Any vehicle, other than "your covered auto," which is:
 - owned by you; or
 - furnished or available for the regular use of any person designated in the Declarations as a named insured or spouse of such person.
 - Any vehicle, other than "your covered auto," which is:
 - owned by an "family member;" or
 - furnished or available for the regular use of any "family member."

However, this exclusion (B.3.) does not apply to your maintenance or use of any vehicle which is:

 - owned by a "family member;" or
 - furnished or available for the regular use of a "family member."
- C. We do not provide Liability Coverage:
- For bodily injury to any fellow employee of an "insured" arising out of and in the course of his or her employment. This exclusion does not apply to bodily injury to you or any family member's fellow employees.
 - For any person's liability resulting from the handling of property:
 - Before it is moved from the place where it is accepted by an "insured" for movement into or onto "your covered auto;" or
 - After it is moved from "your covered auto" to the place where it is finally delivered by an "insured."
 - For any person's liability resulting from the movement of property by a mechanical device (other than a hand truck) not attached to "your covered auto."

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LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for all damages resulting from any one auto accident. This is the most we will pay regardless of the number of:
1. "Insureds;"
 2. Claims made;
 3. Vehicles or premiums shown in the Declarations; or
 4. Vehicles involved in the auto accident.
- B. We will apply the limit of liability to provide any separate limits required by law for bodily injury and property damage liability. However, this provision (B.) will not change our total limit of liability.

OUT OF STATE COVERAGE

If an auto accident to which this policy applies occurs in any state or province other than the one in which "your covered auto" is principally garaged, we will interpret your policy for that accident as follows:

- A. If the state or province has:
1. A financial responsibility or similar law specifying limits of liability for "bodily injury" or "property damage" higher than the limit shown in the Declarations, your policy will provide the higher specified limit.
 2. A compulsory insurance or similar law requiring a nonresident to maintain insurance whenever the nonresident uses a vehicle in that state or province, your policy will provide at least the required minimum amounts and types of coverage.
- B. No one will be entitled to duplicate payments for the same elements of loss.

FINANCIAL RESPONSIBILITY

When this policy is certified as future proof of financial responsibility, this policy shall comply with the law to the extent required.

OTHER INSURANCE

If there is other applicable liability insurance we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide for a vehicle you do not own shall be excess over any other collectible insurance.

PART B - MEDICAL PAYMENTS COVERAGE**INSURING AGREEMENT**

- A. We will pay reasonable expenses incurred for necessary medical and funeral services because of "bodily injury:"
1. Caused by accident; and
 2. Sustained by an "insured."
- We will pay only those expenses incurred within 3 years from the date of the accident.
- B. "Insured" as used in this Part means:
1. You or any "family member:"
 - a. while "occupying;" or
 - b. as a pedestrian when struck by;
 a motor vehicle designed for use mainly on public roads or a trailer of any type.
 2. Any other person while "occupying" "your covered auto."

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EXCLUSIONS

We do not provide Medical Payments Coverage for any person for "bodily injury:"

1. Sustained while "occupying" any motorized vehicle having fewer than four wheels.
2. Sustained while "occupying" "your covered auto" when it is being used to carry persons or property for a fee. This exclusion (2.) does not apply to a share-the-expense car pool.
3. Sustained while "occupying" any vehicle located for use as a residence or premises.
4. Occurring during the course of employment if workers' compensation benefits are required or available for the "bodily injury."
5. Sustained while "occupying," or when struck by, any vehicle (other than "your covered auto") which is:
 - a. owned by you; or
 - b. furnished or available for the regular use of any person designated in Declarations as a named insured or the spouse of such person.
6. Sustained while "occupying," or when struck by, any vehicle (other than "your covered auto") which is:
 - a. owned by any "family member;" or
 - b. furnished or available for the regular use of any "family member."
 However, this exclusion (6.) does not apply to you.
7. Sustained while "occupying" a vehicle without a reasonable belief that that person is entitled to do so.
8. Sustained while "occupying" a vehicle when it is being used in the "business" of an "insured." This exclusion (8.) does not apply to "bodily injury" sustained while "occupying" a:
 - a. private passenger auto;
 - b. pickup or van that you own; or
 - c. "trailer" used with a vehicle described in a. or b. above.
9. Caused by or as a consequence of:
 - a. discharge of a nuclear weapon (even if accidental);
 - b. war (declared or undeclared);
 - c. civil war;
 - d. insurrection; or
 - e. rebellion or revolution.
10. From or as a consequence of the following, whether controlled or uncontrolled or however caused:
 - a. nuclear reaction;
 - b. radiation; or
 - c. radioactive contamination.

LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for each person injured in any one accident. This is the most we will pay regardless of the number of:
 1. "Insureds;"
 2. Claims made;
 3. Vehicles or premiums shown in the Declarations; or
 4. Vehicles involved in the accident.
- B. Any amounts otherwise payable for expenses under this coverage shall be reduced by any amounts paid or payable for the same expense under Part A or Part C.
- C. No payment will be made unless the injured person or that person's legal representative agrees in writing that any payment shall be applied toward any settlement or judgment that person receives under Part A or Part C.

OTHER INSURANCE

If there is other applicable auto medical payments insurance we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide with respect to a vehicle you do not own shall be excess over any other collectible auto insurance providing payments for medical or funeral expenses.

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PART C - UNINSURED MOTORISTS COVERAGE**INSURING AGREEMENT**

- A. We will pay damages which an "insured" is legally entitled to recover from the owner or operator of an "uninsured motor vehicle" because of "bodily injury:"
1. Sustained by an "insured;" and
 2. Caused by an accident.

The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the "uninsured motor vehicle."

Any judgment for damages arising out of suit brought without our written consent is not binding on us.

- B. "Insured" as used in this Part means:

1. You or any "family member."
2. Any other person "occupying" "your covered auto."
3. Any person for damages that person is entitled to recover because of "bodily injury" to which this coverage applies sustained by a person described in 1. or 2. above.

- C. "Uninsured motor vehicle" means a land motor vehicle or trailer of any type:

1. To which no bodily injury liability bond or policy applies at the time of the accident.
2. To which a bodily injury liability bond or policy applies at the time of the accident. In this case its limit for bodily injury liability must be less than the minimum limit for bodily injury liability specified by the financial responsibility law of the state in which "your covered auto" is principally garaged.
3. Which is a hit and run vehicle whose operator or owner cannot be identified and which hits:
 - a. you or any "family member;"
 - b. a vehicle which you or any "family member" are "occupying;" or
 - c. "your covered auto."
4. To which a bodily injury liability bond or policy applies at the time of the accident but the bonding or insuring company;
 - a. denies coverage; or
 - b. is or becomes insolvent.

However, "uninsured motor vehicle" does not include any vehicle or equipment:

1. Owned by or furnished or available for the regular use of any person designated in the Declarations as a named insured or any "family member."
2. Owned or operated by a self-insurer under any applicable motor vehicle law.
3. Owned by any governmental unit or agency.
4. Operated on rails or crawler treads.
5. Designed mainly for use off public roads while not on public roads.
6. While located for use as a residence or premises.

EXCLUSIONS

- A. We do not provide Uninsured Motorists Coverage for "bodily injury" sustained by any person:
1. While "occupying," or when struck by, any motor vehicle owned by you or any "family member" which is not insured for this coverage under this policy. This includes a trailer of any type used with that vehicle.
 2. If that person or the legal representative settles the "bodily injury" claim without our consent.
 3. While "occupying" "your covered auto" when it is being used to carry persons or property for a fee. This exclusion (A.3.) does not apply to a share-the-expense car pool.
 4. Using a vehicle without a reasonable belief that that person is entitled to do so.
- B. This coverage shall not apply directly or indirectly to benefit any insurer or self-insurer under any of the following or similar law:
1. workers' compensation law; or
 2. disability benefits law.

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AA 0001 (09-86)

LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for all damages resulting from any one accident. This is the most we will pay regardless of the number of:
1. "Insured's;"
 2. Claims made;
 3. Vehicles or premiums shown in the Declarations; or
 4. Vehicles involved in the accident.
- B. Any amount otherwise payable for damages under this coverage shall be reduced by all sums:
1. Paid because of the "bodily injury" by or on behalf of persons or organizations who may be legally responsible. This includes all sums paid under Part A; and
 2. Paid or payable because of the "bodily injury" under any of the following or similar law:
 - a. workers' compensation law; or
 - b. disability benefits law.
- C. Any payment under this coverage will reduce any amount that person is entitled to recover for the same damages under Part A.

OTHER INSURANCE

If there is other applicable similar insurance we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide with respect to a vehicle you do not own shall be excess over any other collectible insurance.

ARBITRATION

- A. If we and an "insured" do not agree:
1. Whether that person is legally entitled to recover damages under this Part; or
 2. As to the amount of damages;
- either party may make a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.
- B. Each party will:
1. Pay the expenses it incurs; and
 2. Bear the expenses of the third arbitrator equally.
- C. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to procedure and evidence will apply. A decision agreed to by two of the three arbitrators will be binding as to:
1. Whether the "insured" is legally entitled to recover damages; and
 2. The amount of damages. This applies only if the amount does not exceed the minimum limit for bodily injury liability specified by the financial responsibility law of the state in which "your covered auto" is principally garaged. If the amount exceeds that limit, either party may demand the right to a trial. This demand must be made within 60 days of the arbitrator's decision. If this demand is not made, the amount of damages agreed to by the arbitrators will be binding.

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PART D - COVERAGE FOR DAMAGE TO YOUR AUTO**INSURING AGREEMENT**

- A. We will pay for direct and accidental loss to "your covered auto" or any "non-owned auto," including their equipment, minus any applicable deductible shown in the Declarations. We will pay for loss to "your covered auto" caused by:
1. Other than "collision" only if the Declarations indicate that Other Than Collision Coverage is provided for that auto.
 2. "Collision" only if the Declarations indicate that Collision Coverage is provided for that auto.
- If there is a loss to a "non-owned auto," we will provide the broadest coverage applicable to any "your covered auto" shown in the Declarations.
- B. "Collision" means the upset of "your covered auto" or its impact with another vehicle or object. Loss caused by the following is considered other than "collision:"
- | | |
|---------------------------------|-------------------------------------|
| 1. Missiles or falling objects; | 6. Hail, water or flood; |
| 2. Fire; | 7. Malicious mischief or vandalism; |
| 3. Theft or larceny; | 8. Riot or civil commotion; |
| 4. Explosion or earthquake; | 9. Contact with bird or animal; or |
| 5. Windstorm; | 10. Breakage of glass. |
- If breakage of glass is caused by a "collision," you may elect to have it considered a loss caused by "collision."
- C. "Non-owned auto" means any private passenger auto, pickup, van or "trailer" not owned by or furnished or available for the regular use of your or any "family member" while in the custody of or being operated by you or any "family member." However, "non-owned auto" does not include any vehicle used as a temporary substitute for a vehicle you own which is out of normal use because of its:
- | | |
|---------------|-----------------|
| 1. Breakdown; | 4. Loss; or |
| 2. Repair; | 5. Destruction. |
| 3. Servicing; | |

TRANSPORTATION EXPENSES

In addition, we will pay up to \$15 per day, to a maximum of \$450 for transportation expenses incurred by you. This applies only in the event of the total theft of "your covered auto." We will pay only transportation expenses incurred during the period:

1. Beginning 48 hours after the theft; and
2. Ending when "your covered auto" is returned to use or we pay for its loss.

EXCLUSIONS

We will not pay for:

1. Loss to "your covered auto" which occurs while it is used to carry persons or property for a fee. This exclusion (1.) does not apply to a share-the-expense car pool.
2. Damage due and confined to:
 - a. wear and tear;
 - b. freezing;
 - c. mechanical or electrical breakdown or failure; or
 - d. road damage to tires.

This exclusion (2.) does not apply if the damage results from the total theft of "your covered auto."
3. Loss due to or as a consequence of:
 - a. radioactive contamination;
 - b. discharge of any nuclear weapon (even if accidental);
 - c. war (declared or undeclared);
 - d. civil war;
 - e. insurrection; or
 - f. rebellion or revolution.

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4. Loss to equipment designed for the reproduction of sound. This exclusion (4.) does not apply if the equipment is permanently installed in "your covered auto" or any "non-owned auto".
5. Loss to tapes, records or other devices for use with equipment designed for the reproduction of sound.
6. Loss to a camper body or "trailer" you own which is not shown in the Declarations. This exclusion (6.) does not apply to a camper body or "trailer" you:
 - a. acquire during the policy period; and
 - b. ask us to insure within 30 days after you become the owner.
7. Loss to any "non-owned auto" or any vehicle used as a temporary substitute for a vehicle you own, when used by you or any "family member" without a reasonable belief that you or that "family member" are entitled to do so.
8. Loss to:
 - a. business or office equipment; or
 - b. articles which are sales samples or used in exhibitions.
9. Loss to any of the following or their accessories:
 - a. citizens band radio;
 - b. two way mobile radio;
 - c. telephone; or
 - d. scanning monitor receiver.

This exclusion (9.) does not apply if the equipment is permanently installed in the opening of the dash or console of "your covered auto" or any "non-owned auto". This opening must be normally used by the auto manufacturer for the installation of a radio.
10. Loss to equipment designed or used for the detection or location of radar.
11. Loss to any "non-owned auto" being maintained or used by any person while employed or otherwise engaged in the "business" of:

a. selling;	d. storing; or
b. repairing;	e. parking;
c. servicing;	

vehicles designed for use on public highways. This includes road testing and delivery.
12. Loss to any "non-owned auto" being maintained or used by any person while employed or otherwise engaged in any "business" not described in exclusion 11. This exclusion (12.) does not apply to the maintenance or use by you or any "family member" of a "non-owned auto" which is a private passenger auto or "trailer".

LIMIT OF LIABILITY

- A. Our limit of liability for loss will be the lesser of the:
 1. Actual cash value of the stolen or damaged property; or
 2. Amount necessary to repair or replace the property.

However, the most we will pay for loss to any "non-owned auto" which is a "trailer" is \$500.
- B. An adjustment for depreciation and physical condition will be made in determining actual cash value at the time of loss.

PAYMENT OF LOSS

We may pay for loss in money or repair or replace the damaged or stolen property. We may, at our expense, return any stolen property to:

1. You; or
2. The address shown in this policy.

If we return stolen property we will pay for any damage resulting from the theft. We may keep all or part of the property at an agreed or appraised value.

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NO BENEFIT TO BAILEE

This insurance shall not directly or indirectly benefit any carrier or other bailee for hire.

OTHER INSURANCE

If other insurance also covers the loss we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide with respect to a "non-owned auto" or any vehicle used as a temporary substitute for a vehicle you own shall be excess over any other collectible insurance.

APPRAISAL

- A. If we and you do not agree on the amount of loss, either may demand an appraisal of the loss. In this event each party will select a competent appraiser. The two appraisers will select an umpire. The appraisers will state separately the actual cash value and the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:
1. Pay its chosen appraiser; and
 2. Bear the expenses of the appraisal and umpire equally.
- B. We do not waive any of our rights under this policy by agreeing to an appraisal.
-

PART D-1 - TOWING AND LABOR COSTS COVERAGE**INSURING AGREEMENT**

We will pay for towing and labor costs incurred each time "your covered auto" or any "non-owned auto" is disabled. The labor must be performed at the place of disablement.

LIMIT OF LIABILITY

Our maximum limit of liability for loss is \$50 for each time "your covered auto" is disabled. However, we will pay for towing and labor costs only if the Declarations indicate that Towing and Labor Costs Coverage is provided.

PART D-2 - RENTAL REIMBURSEMENT**INSURING AGREEMENT**

When there is a loss to one of "your covered autos" we will reimburse you for expenses you incur to rent a substitute auto. This coverage applies only if:

1. The auto is withdrawn from normal use for more than 24 hours, and
2. The loss is caused by "collision" or covered under Part D of this policy.
3. The Declarations indicate that Rental Reimbursement Coverage is provided.

However, this coverage does not apply when there is a total theft of the auto.

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LIMIT OF LIABILITY

Our payment will be limited to that period of time reasonably required to repair or replace the auto. We will pay up to \$15 per day to a maximum of \$450.

PART E - DUTIES AFTER AN ACCIDENT OR LOSS

- A. We must be notified promptly of how, when and where the accident or loss happened. Notice should also include the names and addresses of any injured persons and of any witnesses.
- B. A person seeking any coverage must:
 1. Cooperate with us in the investigation, settlement or defense of any claim or suit.
 2. Promptly send us copies of any notices or legal papers received in connection with the accident or loss.
 3. Submit, as often as we reasonably require:
 - a. to physical exams by physicians we select. We will pay for these exams.
 - b. to examination under oath and subscribe the same.
 4. Authorize us to obtain:
 - a. medical reports; and
 - b. other pertinent records.
 5. Submit a proof of loss when required by us.
- C. A person seeking Uninsured Motorists Coverage must also:
 1. Promptly notify the police if a hit and run driver is involved.
 2. Promptly send us copies of the legal papers if a suit is brought.
- D. A person seeking Coverage for Damage to Your Auto must also:
 1. Take reasonable steps after loss to protect "your covered auto" and its equipment from further loss. We will pay reasonable expenses incurred to do this.
 2. Promptly notify the police if "your covered auto" is stolen.
 3. Permit us to inspect and appraise the damaged property before its repair or disposal.

PART F - GENERAL PROVISIONS**BANKRUPTCY**

Bankruptcy or insolvency of the "insured" shall not relieve us of any obligations under this policy.

CHANGES

This policy contains all the agreements between you and us. Its terms may not be changed or waived except by endorsement issued by us. If a change requires a premium adjustment, we will adjust the premium as of the effective date of change.

We may revise this policy form to provide more coverage without additional premium charge. If we do this your policy will automatically provide the additional coverage as of the date the revision is effective in your state.

FRAUD

We do not provide coverage for any "insured" who has made fraudulent statements or engaged in fraudulent conduct in connection with any accident or loss for which coverage is sought under this policy.

LEGAL ACTION AGAINST US

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- A. No legal action may be brought against us until there has been full compliance with all the terms of this policy. In addition, under Part A, no legal action may be brought against us until:
1. We agree in writing that the "insured" has an obligation to pay; or
 2. The amount of that obligation has been finally determined by judgment after trial.
- B. No person or organization has any right under this policy to bring us into any action to determine the liability of an "insured."

OUR RIGHT TO RECOVER PAYMENT

- A. If we make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another we shall be subrogated to that right. That person shall do:
1. Whatever is necessary to enable us to exercise our rights; and
 2. Nothing after loss to prejudice them.
- However, our rights in this paragraph (A.) do not apply under Part D, against any person using "your covered auto" with a reasonable belief that that person is entitled to do so.
- B. If we make a payment under this policy and the person to or for whom payment is made recovers damages from another, that person shall:
1. Hold in trust for us the proceeds of the recovery; and
 2. Reimburse us to the extent of our payment.

POLICY PERIOD AND TERRITORY

- A. This policy applies only to accidents and losses which occur:
1. During the policy period as shown in the Declarations; and
 2. Within the policy territory.
- The policy territory is:
1. The United States of America, its territories or possessions;
 2. Puerto Rico; or
 3. Canada.

This policy also applies to loss to, or accidents involving, "your covered auto" while being transported between their ports.

TERMINATION

- A. **Cancellation.** This policy may be cancelled during the policy period as follows:
1. The named insured shown in the Declarations may cancel by:
 - a. returning this policy to us; or
 - b. giving us advance written notice of the date cancellation is to take effect.
 2. We may cancel by mailing to the named insured shown in the Declarations at the address shown in this policy:
 - a. at least 10 days notice:
 - 1) if cancellation is for nonpayment of premium; or
 - 2) if notice is mailed during the first 60 days this policy is in effect and this is not a renewal or continuation policy; or
 - b. at least 20 days notice in all other cases.
 3. After this policy is in effect for 60 days, or if this is a renewal or continuation policy, we will cancel only:
 - a. for nonpayment of premium; or
 - b. if your driver's license or that of:
 - 1) any driver who lives with you; or
 - 2) any driver who customarily uses "your covered auto;"
 has been suspended or revoked. This must have occurred:
 - 1) during the policy period; or
 - 2) since the last anniversary of the original effective date if the policy period is other than 1 year.

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- B. **Nonrenewal.** If we decide not to renew or continue this policy, we will mail notice to the named insured shown in the Declarations at the address shown in this policy. Notice will be mailed at least 20 days before the end of the policy period.
- C. **Automatic Termination.** If we offer to renew or continue and you or your representative do not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer. If you obtain other insurance on "your covered auto," any similar insurance provided by this policy will terminate as to that auto on the effective date of the other insurance.
- D. **Other Termination Provisions.**
1. If the law in effect in your state at the time this policy is issued, renewed or continued:
 - a. requires a longer notice period;
 - b. requires a special form of or procedure for giving notice; or
 - c. modifies any of the stated termination reasons;
 we will comply with those requirements.
 2. We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.
 3. If this policy is cancelled, you may be entitled to a premium refund. If so, we will send you the refund. The premium refund, if any, will be computed according to our manuals. However, making or offering to make the refund is not a condition of cancellation.
 4. The effective date of cancellation stated in the notice shall become the end of the policy period.

TRANSFER OF YOUR INTEREST IN THE POLICY

- A. Your rights and duties under this policy may not be assigned without our written consent. However, if a named insured shown in the Declarations dies, coverage will be provided for:
1. The surviving spouse if resident in the same household at the time of death. Coverage applies to the spouse as if a named insured shown in the Declarations; and
 2. The legal representative of the deceased person as if a named insured shown in the Declarations. This applies only with respect to the representative's legal responsibility to maintain or use "your covered auto."
- B. Coverage will only be provided until the end of the policy period.

TWO OR MORE AUTO POLICIES

If this policy and any other auto insurance policy issued to you by us apply to the same accident, the maximum limit of our liability under all the policies shall not exceed the highest applicable limit of liability under any one policy.

MEXICAN INSURANCE LIMITED

WARNING - MEXICAN AUTOMOBILE LIABILITY INSURANCE

An automobile accident in the Republic of Mexico is a criminal offense as well as a civil matter. If you are found guilty of causing the accident, your auto is impounded and you can also be detained. Unless you have automobile liability and property damage insurance written by a Mexican Insurance Company, you may spend many hours or days in jail if you have an accident in Mexico. Insurance coverage should be secured from a company licensed under the laws of Mexico to write such insurance in order to avoid complications and some other penalties possible under the laws of Mexico, including the possible impoundment of your auto.

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LIMITED MEXICAN COVERAGE

The coverage provided under Parts A and D of the policy also applies to accidents and losses which occur during the policy period as shown in the Declarations, and within that part of the Republic lying not more than 25 statute miles from the boundary line of the United States of America. However, any original suit for damages for bodily injury or property damage must be brought against you within the United States of America. This coverage shall be excess over any other available insurance.

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